PANCHAYATI RAJ SYSTEM AND ITS SOCIO-ECONOMIC IMPACT:

A Case Study of District Jind

A SYNOPSIS SUBMITTED FOR THE AWARD

OF THE DEGREE OF DOCTOR OF PHILOSOPHY

IN Commerce

OF

MODY INSTITUTE OF TECHNOLOGY & SCIENCE

Supervisor:

Dr. Manish Didwania
Associate Professor of Commerce,
FASC, MITS, Lakshmangarh, Sikar
RAJASTHAN, INDIA

Submitted By:

Rajesh Sharma
Enrollment No. : 080710

September 2012

1.1 Introduction

India lives in villages. Fifty percent of the villagers are small and marginal farmers and labourers. Majority of the population of the country lives in these villages. India has travelled a long distance on the road to development since independence and has made significant progress in various sectors. However, the development has not kept pace with the overall progress in other facets of national life. Even today a big chunk of the rural population subsists in poverty and there remains an acute shortage of basic facilities such as housing, drinking water and roads in rural areas. Therefore, the sustainable development and real prosperity of our country depends on the socio-economic development of these people.[1]

In ancient times, the system of rural local body was introduced in India with the chief objective to endow them with such powers and authority as may be necessary to enable them to work as units of self-government. In early Vedic times, the villagers themselves managed the simple affairs of the village, but the States being small, there was hardly any distinction between the Central and the local Government. It is reported by **Malaviya** (1956) that *Gramik*, *Gopa*, *Sabha*, *Samiti*, *Panchayat*, to which repeated references occur in the Vedas and other Hindu scriptures, point to the existence of a collective life in the villages which was more or less independent of Central influence.[2] The Panchayat rule was in existence even during the times of Mauryas (322 to 185 B.C.). But under the more centralised administration of the Muslim and Moghal reigns, the villages lost much of their autonomy and land revenue came to be collected by the Central Government through its own Collectors. Besides, village disputes, which had been settled locally, were to be referred to the Central Courts.[3]

The advent of the British rule in India marked some further deterioration in the socio-economic conditions of the farmers and the villagers. The Panchayati Raj Institutions also got a severe blow due to excessive centralisation of powers during the British rule. However, later on they realised the weakness of the centralised system and in order to undertake the normal civic functions some sort of local bodies were established. The introduction of the Act in 1687 marked the beginning of the local-self Government in India. But the Governor General of India, Lord Ripon may be called the founder of present system of local self-government in India. In 1882, Lord Ripon's Government passed the historic resolution on local self-government. This did not contain any reference to the village Panchayat. But, largely as a result of this resolution, opinion in favour of the

revival of the Panchayats developed. The intention was to make the Panchayat the base for the development of local self-government. This was therefore, the beginning of Panchayati Raj and democratic decentralisation in India and considered as a historical event. Pt. Nehru had opined that, "I am fully hopeful regarding Panchayati Raj. I feel that it is quite original and revolutionary in Indian context."[4] All these historical events were hailed and described as a turning point in socio-economic history and the way from poverty to prosperity.

After the attainment of independence in 1947, there was a marked change in the conception of Governmental functions and the idea of a welfare State began to influence all activities of Government. It was largely acknowledged that Panchayati Raj System could play a very useful role in establishment and promotion of economic and social democracy and in the implementation of democratic planning. Participatory democracy or grass-root democracy or democratic decentralisation for development through Panchayati Raj has drawn the attention of policy makers, programme planners, researchers, sociologists and other professional workers. An emphasis was given for the empowerment of these institutions. Gram Panchayat has been recognised as a single unit responsible for rural development. Uttar Pradesh was pioneering State, which passed the U.P. Village Panchayat Act, 1947 and established Village Panchayat in 1949. The father of the nation, Mahatma Gandhi was also in favour of 'village swaraj'. During the Freedom Movement, Mahatma Gandhi enthusiastically advocated the revival of village councils based on his philosophy that "Independence must begin at the bottom. Thus, every village will be a republic or Panchayat having full powers."[5] In such situation where rural development has occupied prime importance in the priority list of administration the responsibility of Panchayati Raj Institutions has increased.

The Constitutional position regarding the Panchayat system is covered by Article 40 of the Constitution of India which says that 'the State should take steps to organise village Panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self-government.'[6] Appearing in Part IV of the Constitution, this comes under the Directive Principles of State Policy. Within four years of the training of the Constitution of India, Madras, Jammu and Kashmir, Hyderabad, Madhya Bharat, Saurashtra, Mysore, Punjab, Rajasthan and Himachal Pradesh established village Panchayats, on statutory basis specific functions were assigned to the Gram Panchayats and independent sources of income were marked for them. The State

Governments supplemented these resources by their grants for the socio-economic development of the village. The introduction of the Community Development Programme (CDP) in 1952 was a major step for ushering in an era of economic development and social welfare in rural India. For this, it was required to develop an administrative system, which could promote people's welfare and cope with the problems of development at local level.

In 1957, Balwant Rai Mehta Committee suggested the establishment of 'Panchayati Raj' or 'Democratic Decentralisation'. The recommendations of the Committee favouring three tier system accelerated the pace in constituting the Panchayati Raj Institutions in all the States. In due course of time, public started to find out the lacuna in the working of existing system. Therefore, in 1977 the Ashok Mehta Committee was appointed to review and make suitable recommendations. The Committee said that, 'Panchayati Raj System has many achievements to its credit, the fact of the matter is that PRIs have not been given a chance to serve as a forerunner of development in village India, the PRIs have to be so designed that they can become effective channels of people's participation in growth-economic, social, and political'.[7]

The passage of the Constitution (73rd Amendment) Act, 1992 marked a new era in the federal democratic set up of the country and provides constitutional status to the Panchayati Raj Institutions. Haryana had a two-tier Panchayati Raj System before 1995 and three-tier system could only be revived in 1995 after the enactment of the 73rd Amendment Act. The State Government replaced the Punjab Gram Panchayat Act, 1952 and enacted the **Haryana Panchayati Raj Act, 1994**, which came into force from 22nd April, 1994 vide Notification No. S.O.35/HA/11/94.[8]

In recent years, the Central Government has launched a series of new development schemes which, broadly, have glossed over the role and potentiality of the Panchayati Raj Institutions. In the implementation and administration of these schemes, which are intended for the villagers, Panchayati Raj Institutions have to play a major role. Some of these schemes are Intensive Agricultural District Programme (IADP), later changed to Intensive Agricultural Area Programme (IAAP), the Small Farmers Development Agency (SFDA) and Marginal Farmers and Agricultural Labourers Agency (MFAL) later merged with the Integrated Rural Development Programme (IRDP), the Rural Works Programme (RWP), the Drought-Prone Area Programme, Food for Work Programme, Desert Development Programme, NREP, JRY, SGSY and most recent

scheme launched by congress Government is Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA). It was enacted by legislation on August 25, 2005. The scheme provides a legal guarantee for one hundred days of employment in every financial year to adult members of any rural household willing to do public work-related unskilled manual work. Through these schemes Government of India seems to accomplish its dream of rural India's development. However, some loopholes have also been observed. Without overcoming these drawbacks Government of India won't be able to foster the growth of rural India.[9] To carry out the implementation of programmes and to reach the intended group, the need for delivery system arises. Therefore, it is required to turn the Gram Panchayats as a base for the development of local self-government.[10]

In Haryana, the Gram Panchayats have been assigned many new developmental works such as increasing agricultural production by laying down village uplift plans, construction of amenities, co-operatives, cottage industries, small savings, social education, public health, social welfare and the house keeping etc. Unfortunately, all the village Panchayats in the State are facing various organisational, financial and managerial problems. This had led the poor functioning of these Panchayats. The financial position of these Panchayats is not very good. They are getting very less assistance from State. In addition, there is, however, a common feeling that these Panchayats have no impact on the socio-economic development of the rural people. The available related literature was examined to find out the reality about the functioning of Gram Panchayats. This state of affairs and the study of related literature has led researcher to make a study about **Panchayati Raj System and its Socio-economic Impact: A Case Study of District Jind.**

District Jind is situated in the middle of Haryana. The Jind District has derived its name from Jind, the headquarter town of the District. The town has historical and mythological importance attached to it. It is said that Jind had been founded at the time of Mahabharata. The location of the District is between 75° 53' and 76° 47' East longitudes and between 29° 03' and 29° 51' North latitudes. The district having an area of 2749sq. Kms. constituted for 6.21 percent of the total area of the State. The Jind District is divided into three sub-divisions (tehsils) namely Jind, Safidon and Narwana. In order to streamline the rural development, these tehsils have been further sub-divided into seven Blocks namely Narwana, Uchana, Alewa, Jind, Julana, Pilukhera and Safidon. There are

4 municipal towns i.e. Jind, Safidon, Uchana, and Narwana. Districts physiographic mainly consist of the Punjab-Haryana plain which is flat and dull.

1.2 Review of Literature and Present State of Knowledge

The review of literature is an important ingredient of research work. The main purpose of this review is to give a proper orientation and perspective to the present work. It enables us to know about the work already done and provides insights for the future research work. The literature available on rural development relating to various aspects of Panchayati Raj System is quite extensive. After independence, Panchayati Raj Institutions have been playing a significant role to facilitate people's participation and involvement in the attainment of development in the living conditions of the people within socio-economic and political context of an area. Panchayati Raj as a historical and revolutionary step in the area of participatory democracy for development administration has always attracted the attention of scholars, academicians, political leaders, policy makers, bureaucrats and researchers. The availability of literature on present topic especially about Haryana State is limited in number. In most of the studies, no attempt has been made to find out the impact of Panchayats on the socio-economic development. Therefore, in the present study, an attempt has been made to find out the impact of Panchayati Raj System on the socio-economic development of villagers.

Singh (1985) explained that the bigger and the broad based institution in the village is Gram Sabha. It has a defined legal status under the law. The Gram Sabha is complete failure in Haryana. Its meetings are never called and its formal powers have never been exercised effectively. Neither any Sarpanch has ever automatically ceased to function by failing to call the mandatory meetings of the Sabha, nor has budget ever been rejected by it. Moreover, the Gram Panchayats has failed to attract the adults to attend its meetings ever if they are held. The Gram Sabha may be reactivated to serve its real purpose by giving it more powers and funds, by making the Act more simple, clear and definite, by making people aware of its statutory existence, by inculcating community spirit in the adults, by additional political and administrative awareness, by mobilising informal leaders, by making attendance compulsory for village level workers and finally by honouring its recommendations by the Panchayats.[11]

Mishra (1996) reviewed the interface between Gram Sabha and Panchayats. While supporting the idea of Mahatma Gandhi one may hope that the devolution of funds for development work in the Panchayati Raj System should first come to the Gram Sabha

to decide its needs according to its priorities, how much to keep for itself, how much to contribute to the intermediate level Panchayat and how much to the District level Panchayat.[12]

Aziz and Arnold (1996) presented an overview of the theoretical reinforcement of decentralisation, the origin of the various systems, their common and distinctive features and their efficacy in terms of ensuring the meaningful participation of people. They also mentioned the larger issues of decentralised governance such as the electoral process, autonomy, and implementation and the participation of people and NGOs.[13]

Majumdar and Singh (1997) stated that the village is and could be a self-sufficient unit consisting of a homogenous community. This is true in a fairy tale, considering the modern conditions where so much of interdependence, interaction and mobility are in evidence. The problem is how to reconcile the feeling of village pride with the concept of inter-dependence, which is vital for growth. Here the role of grass-root planning comes and to recognise the factors which can move the people and bring them together.[14]

Mahipal (1997) calls for drastic changes in the Act to make participatory planning a reality. Presenting a critique of the Kerala Panchayati Raj Act, 1994, against the backdrop of the peoples plan launched in the State under the Ninth Plan to usher decentralised planning, the author points out that the State Act, despite certain positive features, does not provide an enabling environment for participatory planning. He underscores the need to integrate rural areas with urban areas below the District level for making participatory planning effective. Panchayats in Kerala are yet to become viable and lively institutions for ensuring participatory planning.[15]

Jain (1999) uttered that it has been observed over the years that the performance of Gram Sabha has suffered due to lack of awareness among the people about the concept and utility of the institution of Gram Panchayat and their own role in making it successful. Any effort directed towards strengthening this institution, therefore, requires a very serious action plan for awareness generation about the working of Gram Sabha among the people.[16]

Singh (1999) that the Gram Sabha, despite being envisaged as the foundation of the Panchayati Raj system and an effective role player in village development is handicapped due to the lack of clarity of its role in village development. However, it has the potential to serve as the basic unit of village governance and could be the most

effective forum for involving villagers in planning, implementation and monitoring village development programmes.[17]

Chathukulam and Johan (1999) conducted a study of the decentralised planning and Panchayats in Kerala. They observed that the centrally sponsored schemes must be integrated into local plans to avoid duplication and gaps and to improve their effectiveness. Further, they stated that the rigidity of the norms laid down by the Centre for centrally sponsored schemes and the existing organisational structure for implementation hinder the formulation of integrated local plans.[18]

Poornima and Vyasulu (1999) conducted a study of women in Panchayati Raj. They found that Panchayati Raj Institutions as grass-root democratic governance institutions are necessary, but not sufficient condition in the transformation to a better social order and that, in that transformation, facilitating women's participation through reservation. Social transformation may sometimes be negative. Unintended consequences such as optimal utilisation of resources and weakening of other bodies of governance will automatically mean empowerment of women participation or engendering of the Panchayati Raj Institutions.[19]

Sinha (2000) confirms the important role of rural local bodies. He states that the top-down approach ignores the question of mobilising the vast masses for taking their destiny into their own hands. The remedy lies in transferring all such rural activities to the local people and their Panchayats which can perform these tasks in a far more efficient and economical manner. Decentralisation is the key to rural transformation and revivification which will unleash popular energy in an unprecedented manner, provided it is genuine and thorough-going. Keeping this in mind the year 1999-2000 has been declared as the year of the Gram Sabha. He adds that any kind of development activity is taken up only after full-length deliberations in these bodies. The degree of transparency and vigilance has definitely gone up with the involvement of these bodies in the developmental process.[20]

The Hindu (20-01-2000), according to the Secretary of the Tamil Nadu State Village Panchayat Presidents', the Village Panchayats were passing through a serious financial crunch. The developmental work in the rural areas had come almost to standstill and the delay in allotment of funds to the States form the Union Government was the main reason for the paucity of funds.[21]

The Hindu (05-06-2000), non-participation of officials belonging to various departments in District Panchayat council meeting has evoked strong protest from the members of the Ramanathanpuram District Panchayat. They feel that, without getting cooperation from the officials concerned, it is absolutely impossible for the Council members to fulfill the needs of the people of their respective wards. Also they stated that, owing to the non-participation of the officials concerned, the members could not air their grievances to find an early solution to the civic problems.[22]

Joshi (2000) discusses the role of Panchayati Raj Institutions in the alleviation of rural poverty. The study has been presented with reference to the some Panchayats in Madhya Pradesh. The empirical analysis infers that a good number of people are regularly not attending the meetings of Gram Sabha and on many occasion the meetings of Gram Sabha have become a mere formality. The study also concludes that the functionaries at the grass-root level have inadequate knowledge of the rules and procedures of various transactions and that physical capacity to undertake development plan are very poor. The author, therefore, suggests to make the working of Panchayati Raj Institutions more methodical, more pragmatic and scientific.[23]

Jain (2001) said that the recognition of Gram Sabha as the primary body to review the activities of Gram Panchayat under the 73rd Constitution Amendment has added a very significant and interesting dimension so far as the accountability of these bodies is concerned. According to the provisions made in different Panchayati Raj Acts, the Annual Accounts including the Audit Report are required to be submitted to the Gram Sabha for review and approval by the people's body. Naturally, the Gram Sabha will have to play a more effective role in carrying out what can be termed as "Social Audit" which can be more effective than the functional audit.[24]

Kumar (2001) observed that the Gram Panchayat is responsible to execute the functions like preparing village development plans, registering unemployed people of the village for village development, development and management of common property resources, etc. It is the Gram Sabha which should discuss each item, fix priorities and develop consensus and authorise the Gram Panchayat to perform the task. The governance at the local level will be meaningful and effective only if the Gram Sabha plays active role in all affairs of the Gram Panchayat. In most cases the Panchayat Sarpanch and members take all the decisions without consulting the Gram Sabha. It has also been observed in some States Panchayat leaders functions as contractors for various

rural development programmes instead of performing the task of monitoring and supervision them.[25]

Gupta (2001) in his book recommended that the implementation of policies requires strong institutions in order to carry out various development activities that include planning, programme design and implementation of programmes. Similarly, at District, Block and GP levels, PRIs and development agencies need to be strengthened. Besides, community organisations need to be promoted for strengthening participatory planning. Institutional development will involve taking appropriate administrative measures, and providing organisational and infrastructural support. Needless to emphasis the importance of institutions in development, it is important to mention that the measures taken for building institutions will determine the effectiveness of delivery system at the grass-roots level that in turn will determine the quality of output.[26]

Sudhakar (2002) discusses the role of new Panchayati Raj in the rural development. He explains that democratic decentralisation, reoriented as Panchayati Raj, is and innovative mechanism to bridge the yawning gap between the decision making centers and centers of action. In this view the new Panchayati Raj System will enable the public to discharge their functions in a responsible manner and thereby it enhances the effectiveness of the development programmes. He concludes with the observation that the Panchayati Raj System encourages local initiative, local technology, local skills and local entrepreneurial abilities.[27]

Baluchamy (2004) concludes that participatory democracy will become a reality under the Panchayati Raj System only if the people really and actively participate in the affairs and the activities of the Panchayat. The mechanism which facilitates community participation is the Gram Sabha. So, strengthening and widening the functioning of the Gram Sabha is the best means of ensuring community participation. Only, when the people, in their role as Gram Sabha Members, participate actively in the development process will participatory democracy become a reality and the Panchayati Raj will become a system of the people, by the people and for the people.[28]

Alagh (2004) discusses the role of emerging institutions in rural development. The devolutions of functions, power and responsibilities to the Panchayats will enable them to discharge development functions in a responsible manner. But it has to be linked with new institutions, community organisations, and cooperative institutions which are critical for the rural development.[29]

Mahipal (2005) in this study has found that the Panchayats cannot become effective institutions of local self-governance unless they have a strong financial base with clearly defined resources of revenues and the revenues are properly managed to optimise the resources. This study has been conducted for Haryana. Study concludes that for the fulfillment the expectation and inspirations of the villagers the financial base of Panchayats should be strong and sources of revenues should be utilised properly. [30]

Synthesis Paper (March 2005) observed that the Gram Sabha is foundation of Panchayati Raj System. Unless this foundation is not strong, whole structure will fall down with the passage of time. Government and local units should come together to improve the working of Gram Panchayat and Gram Sabha. Villagers should be sensitised and informed to raise their demands through Gram Sabha. At the same time, State Government should genuinely and seriously empower Gram Sabha and PRIs so that they can guide, support and monitor the functioning of PRIs.[31]

John Icy K. (2006) observed that the funds are very much essential for the effective functioning of Gram Panchayats. But the nature and trend in the spending of plan fund by the village Panchayats revealed that except in the beginning year, the utilisation of grant-in aid was low in the subsequent plans. The delay in getting the successive installments of plan fund, delay in getting administrative and technical sanctions for the projects, the inadequate physical infrastructure to finalise projects in time, problems of implementation, etc. were some of the factors identified for the under utilisation of plan funds by the Gram Panchayats. The study noticed that the underutilisation of plan fund has affected the functioning of Panchayati Raj Institutions adversely.[32]

Sukumar (2006) finds that the capacity of Panchayats in the mobilisation of beneficiary contribution has declined. On many occasions, the Panchayats laps their shape of plan funds. This resulted in the beneficiaries to have the feelings that the Panchayats have not enough funds as grants-in-aid. Study shows that the grants-in-aid received during the period of study had declined both in the case of lower grade and special grade Panchayats. The discussion validates the hypothesis that owns fund of the Panchayats are inadequate to meet expenditures pertaining to establishment cost and other essential civic services.[33]

Gupta J.P. and Pattanaik B.K (2006) observed that the Panchayati Raj Institutions were unable to enhance the income from tax and non-tax resources. Only the

income from shamlat land has been improved but it was not sufficient to meet the administrative expenses of the Gram Panchayats. State government has not been able to collect taxes as provided in the Punjab Panchayati Raj Act. In a developed and prosperous state like Punjab, the per capita income from taxes of the Gram Panchayats continues to be less than a rupee. Therefore, they suggested to modify the legislation regarding the levy and recovery of taxes and also extension of the tax base of the PRIs.[34]

Mor (2007) looks Gram Sabha as the base of the pyramid of three-tier system. This institution has to serve as the basic unit of village governance and could be the most effective mechanism to involve people in planning, implementing and overseeing the village development activities. It is now high time to provide Gram Sabha all the necessary powers for rural development. Currently, Gram Sabha has confined its working to only passing of budget proposals for construction of Gali and Nali defeating the very essence of micro-level planning. In other words, the democratic process of decentralised governance in the present form is reflection of mere mockery of the people's participation.[35]

Ghosh Buddhadeb (2008) observed that the Gram Panchayats have been emerging as an important instrument of rural development. Their full potentialities are, however, still remain unrealised. In most of the States, they have little functional power and seldom receive grants from higher level Governments in one installment. Besides they don't have adequate fiscal powers to collect income from local sources. Persistent efforts have to be made to remove these fiscal deficiencies, so that the national goals of removal of all forms of social injustice and removal of poverty can be achieved.[36]

Somkuwar (2011) stated that the proper planning at the grass-root level is very much essential. The role of Panchayati Raj Institutions, therefore assumes greater significance in development process. The most challenging issue is to eradicate rural poverty. The practical option is to improve rural livelihoods by mobilising local resources and enabling the rural poor. There are poverty eradication projects like Madhya Pardesh Rural Livelihoods Project that has adopted the Gram Sabha approach to poverty alleviation in remote tribal villages. When India is witnessing increasing number of grassroots level governance issues, there is no option but to strengthen the Gram Sabha. Unquestionably, decentralised planning and implementation of rural development agenda cannot be done effectively without involving the Gram Sabha.[37]

1.3 Objectives of the Study

1. To identify the financial resource gap between income and expenditure of Gram Panchayats in the District Jind.
2. To analyse the impact of Panchayati Raj System on the delivery of basic amenities in the District Jind.
3. To examine the impact of socio-economic programmes implemented by the Panchayats on standard of living of the rural masses in the District Jind.
4. To assess the validity of the criticism leveled against the working of Gram Panchayats from time to time.
5. To make an inquiry into the progress of selected schemes under Panchayati Raj System in the District Jind.
6. To suggest suitable measure for solving the problems and recommend the necessary changes for the improvement of the system.

1.4 Hypotheses

1. There is no gap between income and expenditure of Panchayats in the District Jind.
2. Resource mobilisations by the Panchayats have declined over the years.
3. Perceived impact of Panchayati Raj System on the delivery of basic services does not vary between the elected members and Gram Sabha members.
4. Opinion about the positive impact of socio-economic programmes implemented by the Panchayats on standard of living of the rural masses does not vary between the elected members and Gram Sabha members.
5. Alleged criticism level against the working of Gram Panchayats does not vary between the elected members and Gram Sabha members.
6. There is no physical and financial progress done by selected schemes under Panchayati Raj System in the District Jind.

1.5 Sampling Frame

Multistage, disproportionate stratified random sampling and census methods were used to frame a representative sample. The study area is confined to the State of Haryana. Haryana has twenty one Districts in all. For the present study, one District i.e. **Jind** and its five Blocks have been selected because it is one of the socio-economic backward District of the State. Further two Gram Panchayats from each Block have been selected that belongs to the same socio-economic and demographic characteristics as that of

District and Blocks. Out of seven Community Development Blocks; this study covered five Blocks. Both census and sampling procedures were adopted in this study. In this connection special care was taken in choosing the sample so that the sample may represent the features of the universe. Census method was followed in the case of Sarpanch and Block Development and Panchayat Officer. Random sampling was used in the selection of the members of Gram Sabha and Panches. To assess the gap between income and expenditure of sample Gram Panchayats five years data i.e. from 2006-07 to 2010-11 was collected. To evaluate the progress of Government schemes in the District Jind, only three years data i.e. from 2008-09 to 2010-11 was assessed. Development was evaluated on the basis of physical and financial progress made by the selected schemes i.e. Indira Awas Yojna and MGNREGA.

1.6 Research Methodology

Present study is based on the role and working of **Gram Panchayats in the District Jind**. For research purpose whole District has been divided in to five Blocks. **(a) Jind (b) Safidon (c) Uchana (d) Pillukhera (e) Narwana.** This District is among the socio-economically backward District of the State. For the selection of villages, multistage random sampling method has been used. Two villages from each Block have been chosen. Institutional structure of working Panchayats is same within a Block. Further from each Gram Panchayat, elected members i.e. one Sarpanch and six Panches along with non-elected members i.e. sixteen Gram Sabha members were selected for interview. The observation method was also applied. Many experts were contacted time to time for this research work. The total numbers of respondents were 280. The study was carried out among the elected members, which were, Gram Panchayat Sarpanches (10) and Gram Panchayat Panches (60) and non-elected members (160). And the study was carried out among the Government officials also (50), which were, Gram Panchayat Secretary, Block Development & Panchayat Officer (BD&PO), S.D.O. (Panchayati Raj) and Junior Engineer. It means elected members; villagers and Government officials were selected for the present research to make the sample representative of all the clusters and all the households within a village. In each household, the main earning member was interviewed to know the impact of Panchayat Raj on them.

Further, to review the validity of the results of interview schedules, two Gram Panchayats i.e. Jaipur and Bahadurgarh were chosen for in-depth study for which Gram Sabha meetings proceedings were studied. After studying the proceedings of these two

meetings, the actual working of the Gram Sabha could be understood. In order to examine the relationship between the various items in the tables **t-test, percentage, compound annual growth rate (CAGR), average, bar graph, pie chart and line graph** were used according to the requirement and to make the data comparable. To evaluate the progress of Government schemes in the District, only three years data has been taken. Development was considered on the basis of physical and financial progress made by the selected schemes i.e. Indira Awas Yojna and MGNREGA (Mahatma Gandhi National Rural Employment Guarantee Act).

For the collection of various information and data the above mentioned tools were used with a view to find out the actual working of the village Panchayats of the District and to obtain the views of various segments of the people involved.

1.7 Interview Schedules

Keeping in view the objectives of study, three types of pre-tested structured interview schedules were used with a view to find out the views and opinions of the villagers, Government officials and elected representatives. Interview schedules have contained about 140 questions on different facts such as working style of Gram Panchayat, impact on basic amenities, attendance level, role of Gram Sabha, improvement in the delivery of basic amenities, resource management and financial administration, development of human resources, obstacles in development progress, etc. The separate schedules were prepared for concerned officials and elected representatives. The observation method was also applied.

1.8 Sources of Data

Both primary and secondary sources of data have been used for this study. The responses of the respondents, namely, elected representatives, non-elected Gram Sabha members and the opinions of the Government officials of all the three tiers of Panchayati Raj Institutions in the selected Blocks provided the primary data. As far as secondary data is concerned, the income and expenditure data of selected Gram Panchayats was collected from the Gram Panchayat Registers which is being maintained by the Sarpanch with the help of Panchayat Secretary. For making theoretical framework, standard works on the Panchayats including published research and studies, reports of various Committees and Commissions, articles appeared in various newspapers, journals and magazines were consulted with a view to enhance the credibility of the work and to supplement the information on the subject.

1.9 Method of Analysis

The collected data has been tabulated and analysed in a rational and systematic manner through a computer. In order to examine the relationship between the various items in tables, one-way or two-way tabular analysis with appropriate statistical techniques such as compound annual growth rate (CAGR), line graph, pi-graph, and bar graph have been used in the analysis of data. To test the significance of means between two samples the t-test was adopted. Average and percentage methods were also used to show the necessary comparisons among the Panchayats.

1.10 Limitations of the Study

For primary data, we had to rely on the information given by the interviewee. The present research has been carried out in the five selected Blocks of Jind District and so the findings can be generalised to the entire District at the micro level. The opinions of the respondents regarding the functioning of the Panchayati Raj Institutions can be generalised to the State as a whole.

There were some constraints such as transport facilities to the villages, hot weather, unavailability of the respondents, and mainly uncooperative behaviour of some of the officials. All the respondents seemed to be very busy, which became a real constraint for the researcher. In most of the cases, Panchayat Secretaries bluntly denied to provide the information related to the income and expenditure of Panchayats. The researcher had to persuade the respondents and elicit their cooperation by visiting them repeatedly. Some officials and elected representatives were indifferent in their response. The researcher had to probe and bring out the exact responses from them. The officials, being prejudiced against the elected representatives, exhibited a bureaucratic attitude to the elected representatives. In turn the elected representatives were finding fault with the officials for their uncooperative and hostile outlook. For secondary data we had to rely on the data published in books, journals, magazines, newspapers and Government reports.

Due to the shortage of time and money, random sampling method was used because it was impossible to visit all the villages in the District. To evaluate the progress of IAY and MGNREGA, due to the unavailability, only three years data has been taken. This may be too short a period for drawing conclusion that is valid over a period of time. Despite the above limitations an attempt has been made to analyse the problem and draw conclusions, which are relevant and plausible.

1.11 Significance of the Study

Present study is an attempt to discuss diverse issues relating to the working of grass-root democracy. Therefore, it is hoped that the study will make a valuable contribution in the realm of knowledge pertaining to economic development, public administration, co-operative Government and painstaking researchers and scholars on the above cited subjects. Once a model is built-up, it may apply to all the Panchayats functioning at District level after affecting minor changes therein according to their requirements and circumstances. Further it is hoped that the study will be helpful to the policy makers and also the elected representatives of the Panchayati Raj Institutions to have an understanding of the various dimensions of the system. Also, it will be helpful to the authorities to make suitable laws to overcome the difficulties / problems faced by the elected members in the day-to-day administration of the Panchayati Raj Institutions.

1.12 Project's Relevance to the Present Day Problems and Needs of the Society and the Country

The project has a great relevance to the present day problems and needs of the society and country. This study will illustrate the importance and impact of Gram Panchayats in various fields like human resource development, project planning, poverty alleviation, health and education, etc. The study will be useful to bring rational, logical and timely needed modification and reforms in various plans and policies of the Central Government. Study will also provide a critical appraisal of the policies and plans of the Government in the field of local self-government. It is hoped that after completion, the study will be very useful for implementation and maintenance of decentralised organisational set-up, how to utilise the resources for the growth and development of the rural people. It is also hoped that the study will prove useful to researchers, scholars, students, policy makers and social activists in helping them to achieve the goal of socio-economic development of the rural community.

1.13 Organisation of Thesis

In the present study an attempt has been made to discuss the diverse issues relating to the grassroots democracy. The entire work has been divided in to six chapters. The *first* chapter entitled **"Introduction"** contains the review of related literature, objectives of the study, the hypotheses proposed for testing in this research, the research methodology followed in terms of study area, sampling frame, sources of data, method of analysis and limitations of the study. The *second* chapter entitled **"Panchayati Raj System in India"**

describes about the evolution of the Panchayati Raj System in India, Balwant Rai Mehata Committee, Ashok Mehta Committee and 73rd Constitutional Amendment of India. The *third* chapter entitled **"Panchayati Raj System in Haryana"** highlights the socio-economic and demographic features of Haryana and overall financial position of Urban Local Bodies and Rural Local Bodies of the State. The *fourth* chapter entitled **"Gram Panchayats of District Jind: Financial Position"** describes the socio-economic and demographic features of the District Jind. Financial position of the selected Gram Panchayats has also been analysed in the same chapter. The *fifth* chapter named **"Performance Analysis of Gram Panchayats of District Jind"** highlights the socio-economic and demographic characteristics of the elected members, non-elected members and PRIs officials. Further, the financial and physical performances of MGNREGA and IAY have also been analysed in the same chapter. The *sixth* chapter titled **"Findings and Suggestions"** explains about the major findings of the study and suitable measures to make the system more effective.

Bibliography

1 The Economics Times (29 January, 2002), New Delhi, p. 1.

2 Baluchamy S. (2004), *Panchayati Raj Institutions*, Mittal Publication, New Delhi, p. 2.

3 Baluchamy S., op. cit. p. 3.

4 Swami H.R. (2009), *Rural Development and Co-operation*, Jaipur, p. 5.10.

5 Naidu Venkaiah (2001), *India Panchayati Raj Report*, Vol.-I, National Institute of Rural Development, Sairam Process and Printers, Hyderabad.

6 Panday J.N. (1993), *Constitutional Law of India*, Central Law Agency, Allahabad, p. 266.

7 Mor K.K., op. cit. p. 4.

8 Singh Gurdev (2000), *The Haryana Panchayati Raj Act*, 1994 and Rules, Yadav Book House, Chandigarh.

9 Mishra A.K. (2011), Role of Panchayati Raj Institutions in Rural Development (An Analytic Study of Uttar Pradesh), *Management Insight*, Vol. 7, No. 1, p. 1.

10 Gupta D.N. (2001), Rural Development System, Books India International, New Delhi, p. 71.

11 Singh Hargian (1985), *Panchayati Raj Administration in Haryana*, Indore Publications, Gurgaon.

12 Mishra S.N. (1996), An Interface between Gram Sabhas and Panchayats, *Kurukshetra*, Vol. XIV, No. 7, p.15.

13 Aziz Abdula and David Arnold (1996), *Decentralised Governance in Asian Countries*, New Delhi, Sage Publications.

14 Majumdar A.K. and Singh Bhanwar (1997), *Historical and Conceptual Development of Panchayati Raj*, Radha Publications, New Delhi.

15 Mahipal B. (1997), Participatory Planning and the Kerala Panchayati Raj Act, *Kurukshetra*, Vol. XLV, No. 687, p. 95.

16 Jain S.P. (October 1999), Gram Sabha-Task before the Nation, *Kurukshetra*, Vol. 48, No. 1.

17 Singh Kartar (Ocober 1999), The Role of Gram Sabha in Village Development, *Kurukshetra*.

18 Chathur Kulum J. and M.S. John (1999), Decentralised Planning and Panchayats in Kerala, *Kurukshetra*, Vol. 47, No. 12, p. 20.

19 Poornima and Vyasula ((1999), *Women and Political Participation*, United Nations Development Programmes, New Delhi, p. 17.

20 Sinha J.K. (2000), Rural Development: A Collective Effort, *Kurukshetra*, Vol. 48, No. 8, p. 4.

21 The Hindu (June 16, 2000), *Village Panchayats in Financial Crunch.*

22 The Hindu (June 5, 2000), *Council Members Resent Officials' Absence at Meet.*

23 Joshi Sandeep (2000), *Panchayati Raj Institutions and Poverty Alleviation*, Rawat Publication, Jaipur.

24 Jain S.P. (June 2001), Audit of Panchayati Raj Bodies: Some Issues, *Kurukshetra.*

25 Kumar Arvind (2001), *Encyclopedia of Decentralised Planning and Local Self-Governance*, Vol. III, Laxmi Shikshan Sansthan, Lucknow and Anmol Publications Pvt. Ltd., New Delhi.

26 Gupta D.N. (2001), *Rural Development System*, Books India International, New Delhi.

27 Sudhakar V. (2002), *New Panchayati Raj System*, Mangal Deep Publication, Jaipur.

28 Baluchamy S. (2004), *Panchayati Raj Institutions*, Mittal Publications, New Delhi.

29 Alagh Y.K. (2004), *Emerging Institution for Rural Development* in Bavdyopadhay (ed.), New Issues in Panchayati Raj, Concept Publishers, New Delhi.

30 Mahipal (2005), *Mobilisation and Management of Financial Resources by Panchayati Raj Institutions- A Study of Haryana*, Haryana Institute of Rural Development, Nilokheri.

31 Synthesis Paper (March 2005), *Gram Sabha Mobilisation*, PRIA, New Delhi.

32 John Icy K. (2006), *Panchayati Raj Institutions and Rural Development of Kerala*, Ph.D. Thesis, Mahatma Gandhi University, Kottayam, p.p. 276-277.

33 Sukumar V.P. (2005), *Fund Management in Gram Panchayats in Kerala*, Ph.D. Thesis, Mahatma Gandhi University, Kottayam.

34 Gupta J.P and Pattanaik B.K. (2006), *Key Paper on Rural Local Self-Government in Punjab: Its Evolution, Functioning and Functional Deficiencies*, Centre for Research in Rural and Industrial Development, Chandigarh, p. 43.

35 Mor K.K. (2007), *Gram Sabha: Perspectives and Challenges*, The Associated Publishers, Ambala Cantt.

36 Ghosh Buddhadeb (March 2008), Centrality of Panchayats in Rural Development, *Panchayati Raj Update*, p. 7.

37 Somkuwar Awanish (May 2011), Improving Rural Livelihoods-The Gram Sabha Approach, *Kurukshetra*, Vol. 59, No. 7, p.p. 39-41.